No. 88-2107

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In The

Supreme Court of the United States

October Term, 1989

LEONARD J. JULIEN,

Petitioner,

v.

HENRY ZERINGUE, ZERINGUE'S FARM EQUIPMENT SERVICE and JOHN CLET LANDRY,

Respondents.

and

THOMSON INTERNATIONAL, INC., LABADIEVILLE MACHINERY CO., INC., and ROBERT BOUDREAUX,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Federal Circuit

BRIEF OF RESPONDENTS HENRY ZERINGUE, ZERINGUE'S FARM EQUIPMENT SERVICE AND JOHN CLET LANDRY IN OPPOSITION TO CERTIORARI

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PARTIES TO THE PROCEEDINGS

The caption of the case contains the names of all the parties, except that the case against Labadieville Machinery Co., Inc. and its owner, Robert Boudreaux, was settled during trial.

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JUDGMENT, OPINIONS AND ORDER BELOW

The opinion of the Court of Appeals for the Federal Circuit regarding the patent case is reported at 864 F.2d

1569, and is copied in appendix A of the petition. The Federal Circuit's Order for sanctions against Petitioner Julien's counsel is reported at 864 F.2d 1572, and is copied in appendix B of the petition. The judgment and opinion of the District Court for the Eastern District of Louisiana in the patent case Civ. No. 82-0673, 83-2267 are copied at pages 5-45 in the "additional appendix" of the Petitioner.

COUNTERSTATEMENT OF THE CASE

A. Some General History of the Case

Respondents Zeringue's Farm Equipment Service, Henry Zeringue and John Clet Landry (collectively "Zeringue") asserted at trial that all Claims 1-10 of the Julien patent-in-suit No. 3,286,858 were invalid over the prior art. The District Court held the claims to be valid, and held that Claims 1, 3 and 6-9, the only claims for which Petitioner Julien continued to allege infringement throughout the trial, were not infringed.

Julien appealed the holding of noninfringement to the Federal Circuit. Zeringue responded and cross-appealed the failure of the trial court to hold Claims 1-10 invalid and asserted that the appeal by Julien was frivolous, based on positions taken by Julien in his brief. Julien did not file a reply brief.

The Federal Circuit affirmed the district court's holding that Claims 1, 3 and 6-9 of the '858 patent were not infringed, but vacated the holding that Zeringue had not proven Claims 1-10 invalid, because the Federal Circuit

was affirming the holding on noninfringement and therefore not reaching the validity issue.

B. Facts Regarding the Patent Case

Patent No. 3,286,858, a copy of which is included in appendix H in the "supplemental appendix" of Julien, includes a single independent claim, which was amended during prosecution in the Patent and Trademark Office. At least ten limitations can be distinguished in Claim 1.

The claimed planter employs scissors grab devices, which open and close in a direction transverse to their line of travel, to pick up and carry cane along a straight line path, then drop the cane. The scissors grabs are illustrated in Figs. 2, 3 and 6 of the Julien patent. (pages (H)46-47 of the supplemental appendix) The first such scissors grab planter was designed and built by Mansel Mayeaux at Louisiana State University. The trial court found Mayeaux's scissors grab planter to be prior art to the Julien patent (finding of fact 30 and conclusion of law 14 of the trial court decision; pages 18, 19 and 42 of the additional appendix).

After sales of Julien's scissors grab planters ended, Zeringue's Farm Equipment Service began producing drum planters. Such planters do not employ scissors grabs, or the devices necessary to open and close the scissors grabs, nor the flexible means to move scissors grabs back and forth between a cane pick-up point and a cane release point, as claimed. Drum planters use rakes having no moving parts, mounted on the surface of a rotatable drum, to knock cane down off of the back of a planter's aid-type wagon.

References to the Zeringue rakes as "grabs" in the district court opinion were taken from pre-trial submissions on behalf of Julien. The trial court's findings of fact 26-29 and 32-42, relied on by the petition, do not make favorable comparisons between the accused planters and the '858 patent claims on which to base a finding of equivalence under the doctrine of equivalents. (additional appendix pages 16-18 and 20-24) Rather, as the Federal Circuit observed (petition appendix pages A-vi to A-viii), the trial court noted differences in at least the manner of operation of limitations of the claimed planter and features of the accused, including the claimed grab means, means to bias the grab means closed, and expander means to open the grab means at a cane pick-up point and at a cane release point at opposite ends of the sub-frame.

In findings of fact 48-81 (additional appendix pages 27-35), the trial court enumerated numerous claimed aspects which are not present in the accused planters, either literally or by equivalents. Finally, finding of fact 85 (additional appendix page 36) notes that the accused "structures are not equivalent to plaintiff's cane planter of Claims 1 through 10."

C. Facts Regarding the Sanctions Case

Facts regarding the sanctions are included in the Order of the Federal Circuit of January 5, 1989, at petition appendix pages B-iii to B-viii, and B-xiii to B-xvi.

In response to the order imposing sanctions, Julien's counsel submitted a twenty-six page combined motion for reconsideration and suggestion for rehearing *in banc*,

plus an appendix, and accompanied by six additional items, including 220 pages of deposition transcript.

The "pro bono" aspects of the case urged by the petition are misleading. Mr. Julien's counsel is not conducting this case on a pro bono basis. Julien's counsel has taken the case on the basis of one-third his "normal professional fee," plus "a reduced contingency fee interest," as noted on page 8 of his affidavit, appearing at page (K)67 of the supplemental appendix. A fee arrangement does not become pro bono because a client does not pay his bill, or because an attorney who takes a case on contingency does not win.

ARGUMENT FOR DENYING THE WRIT

A. Regarding the Patent Case

The trial court evaluated the claimed planter, compared the accused planters, and thereafter stated his findings based on this comparison. The trial court specifically noted the claimed features not found literally or by equivalents in the accused devices, and concluded with the finding that "Defendants' structures are not equivalent to plaintiff's cane planter of Claims 1-10." (additional appendix page 36)

The Federal Circuit noted that the trial court made extensive findings regarding noninfringement, and found that numerous claim limitations were not present in the accused planters. As an example, the Federal Circuit considered the trial court analysis of the structure and operation of the grab means, the means for biasing the grab

means closed, and the expander means on the sub-frame positioned to open the grab means at two points at opposite ends of the sub-frame. The differences in the structures, functions and operations of these features of the claim, contrasted to the structure, function and operation of the rakes of the accused planters, support the trial court's findings that such claimed features are neither literally or by equivalents found in the accused devices. The Federal Circuit noted that Julien failed to demonstrate that the trial court's findings are clearly erroneous. Since at least one claim limitation is missing from the accused planters, both literally and equivalently, the Federal Circuit agreed that there is no infringement. (petition appendix pages A-vi to A-viii)

This Court has noted that it " . . . cannot undertake to review concurrent findings of fact by two courts below in the absence of a very obvious and exceptional showing of error." (citations omitted) *Graver Tank & Mfg. Co., Inc. v. Linde Air Products Co.*, 336 U.S. 271, 275, 93 L.Ed. 672, 677 (1949). In that case, this Court found no cause for reversal of the affirmation by the Court of Appeals for the Seventh Circuit of the trial court's finding that the defendants " . . . made, . . . used and sold, a flux substantially identical with that set forth in the valid composition claims of the patent in suit." *Id.* at 276, 93 L.Ed. at 677.

This Court took the *Graver Tank* case up for rehearing on the sole issue of the infringement of four flux composition claims and the application of the doctrine of equivalents to the findings of fact in the case. *Graver Tank & Mfg. Co. Inc. v. Linde Air Products Co.*, 339 U.S. 605, 606, 94 L.Ed. 1097, 1101 (1950). In discussing the early development of the doctrine of equivalents, this Court noted that

" . . . the doctrine was usually applied in cases involving devices where there was equivalence in mechanical *components* . . . ," and that subsequently the doctrine was " . . . also applied to compositions, where there was equivalence between chemical *ingredients*." *Id.* at 609, 94 L.Ed at 1102 (emphasis added). Again, at *Id.* 609-10, 94 L.Ed at 1103, this Court stated:

> Consideration must be given to the *purpose* for which an *ingredient* is used in a patent, the *qualities* it has when combined with the other ingredients, and the *function* which it is intended to perform.
>
> * * *
>
> A finding of equivalence is a determination of fact. . . . It is to be decided by the trial court and that court's decision, under general principles of appellate review, should not be disturbed unless clearly erroneous. (emphasis added).

This Court considered that the accused weld composition and the patented composition were " . . . identical in operation and produced the same kind and quality of weld." But, the issue to be resolved was whether the substitution for the claimed ingredient of an alkaline earth metal silicate, such as magnesium silicate, by the ingredient of manganese silicate in the accused composition (manganese not being an alkaline earth metal) was " . . . a change of such substance as to make the doctrine of equivalents inapplicable; or conversely, whether . . . the change was so insubstantial that the trial court's invocation of the doctrine of equivalents was justified." *Id.* at 610, 94 L.Ed. at 1103.

To consider this last condition, the Court acknowledged the evidence presented at trial and the trial court's finding, based on the evidence before him, that manganese silicate can be substituted for magnesium silicate in the welding composition. This Court found the trial court's conclusion to be not clearly erroneous. *Id.* at 610-12, 94 L.Ed. at 1103-04.

The *Graver Tank* case thus turned on whether a single claimed ingredient or element, not found literally in the accused composition, was present in the accused by a proper substitute ingredient so as to not substantially alter the operation of the composition. Does the substitute provide substantially the same work, way and result in the accused as the claimed ingredient in the claimed invention? This question regarding individual elements was answered for numerous claim limitations by the trial court in the present case, finding that no such equivalents existed between the features of the accused planters and the claimed planter elements. Thus, the accused planters do not, and could not, perform substantially the same work in substantially the same way as the claimed Julien planter.

Not only has Julien failed to show that the findings of fact of the trial court are clearly erroneous, as affirmed by the Federal Circuit, but Julien has urged, and continues to urge, that the claim limitations should somehow be ignored in the application of the doctrine of equivalents. No consideration of the Julien patent as an asserted "pioneer patent," or any of the reasons given for consideration of the petition can expand the scope of the claims beyond the restrictions imposed by file wrapper estoppel. Even without these restrictions, however, the operations,

functions and results provided by the claimed grab means and related components would still not be found in the accused planters, either identically or even substantially. The accused planters are simply not within the scope of the claims.

This Court has previously refused to hear the case of *Pennwalt Corp. v. Durand-Wayland, Inc.*, 833 F.2d 931 (Fed. Cir. 1987) (in banc), *cert. denied*, 485 U.S. ___and___, 99 L.Ed.2d 426 and 703 (1988). The presence of a dissenting opinion in the case at the Federal Circuit level does not constitute a conflict among the "circuits" for this Court to resolve. The district court and the Federal Circuit in the present case followed this Court's decision in the *Graver Tank* case, and this present case is the only case at issue.

B. Regarding the Sanctions Case

The factual findings upon which sanctions are based are reviewable under the clearly erroneous standard. *Kanarek v. Hatch*, 827 F.2d 1389, 1391 (9th Cir. 1987). An award of attorney fees under 28 U.S.C. § 1927 is at the discretion of the court. *Jones v. Continental Corp.*, 789 F.2d 1225, 1229 (6th Cir. 1986) (citations omitted). Julien's counsel has not proven the factual findings to be in error, or that the court below abused its discretion, but rather has attempted to excuse his behavior. However, it is within the appeals court's discretion whether to accept the excuses or explanations for the conduct in question. *Batson v. Neal Spelce Assoc., Inc.*, 765 F.2d 511, 515 (5th Cir. 1985). The imposition of sanctions on Julien's counsel for his conduct in this case is not out of line. In *Westinghouse Electric Corp. v. National Labor Relations Board*, 809 F.2d 419, 424-25 (7th

Cir. 1987), the Seventh Circuit imposed sanctions under 28 U.S.C. § 1927 on Westinghouse's lawyers for disobeying the Court's rule limiting the number of pages in their brief, even in the face of a denial of their motion to extend the brief, and for not properly meeting a subsequent requirement from the court to correct the brief.

In *Toombs v. Leone, Jr.*, 777 F.2d 465, 470-71 (9th Cir. 1985), Toombs' counsel was sanctioned by the trial court for filing a pre-trial brief and serving exhibit copies on the morning of the scheduled trial date, rather than no less than seven days earlier as required by the local rule. The sanctioned attorneys argued that they missed the deadline in order to produce a thorough and complete brief and set of exhibits. The Ninth Circuit, affirming the sanctions, observed that such "concern for thoroughness and completeness is not inconsistent with a finding of recklessness or bad faith." *Id.* at 471. Furthermore, an attorney can be sanctioned under 28 U.S.C. § 1927 for unreasonable and vexatious multiplication of litigation with no conscious impropriety on his part. *Jones v. Continental Corp., supra* at 1230.

Julien's counsel did receive due process in the imposition of sanctions against him. Upon receiving the order from the Federal Circuit directing him to serve a corrected brief and a table of appendix page numbers, Julien's counsel knew, or should have known, that his procedures for handling the appeal were not working properly. (petition appendix page B-v) The dismissal of the appeal due to his failure to timely file the appendix was further, clear notice to Julien's counsel that his conduct was under scrutiny. (petition appendix page B-vi) However, he continued to seek extensions of time from

the court. Finally, he filed an extensive motion for reconsideration of the dismissal, seeking to excuse his conduct of the appeal. (petition appendix pages B-vii and viii) After the order for sanctions was made, Julien's counsel again filed an extensive pleading to have the sanctions removed, as noted above.

Not only was Julien's counsel placed on notice that his conduct of the appeal was in trouble with the court, but he had ample opportunity to plead his case, and he did so, both before and after the order for sanctions.

CONCLUSION

The petition for writ sought by Julien should be denied.

Julien has simply failed to show on appeal that the trial court's findings of fact regarding noninfringement are in error, and misinterprets the doctrine of equivalents. There is no real disagreement among appeals courts pertinent to this issue for this Court to review, and the holding of the Federal Circuit regarding the infringement issue in this case is consistent with this Court's rule in the *Graver Tank* case.

Julien's counsel excuses and explains away his behavior in the appeal to the Federal Circuit, which that court found so offensive. However, the imposition of sanctions based on his conduct has not so far departed from the usual course of judicial proceedings as to call for

this Court to exercise its power of supervision. Furthermore, Julien's counsel was afforded due process, and extensively argued his position to the Federal Circuit.

Respectfully submitted,

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